



PROCEDURES FOR ACQUIRING GOODS AND SERVICES

FC No.: 272

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I. Policy

The policy of this department is to establish purchasing procedures which will facilitate the procurement of goods and services in compliance with County Procurement Regulations and Administrative Procedures.

II. Definitions

- A. **Capital Outlay:** Fixed assets which have a unit value of \$5,000 or more and have a useful economic life of more than one year.
- B. **Encumbrance:** A firm commitment to pay for future goods and services formally documented into an agreement or a contract.
- C. **Purchase Request:** A request submitted by a unit for the acquisition of goods or services.
- D. **Direct Purchase Order:** Used to secure goods, construction, professional or non-professional services when the value of the purchase is not greater than **\$5,000**.
NOTE: Direct purchase procedures may not be used when the goods or services to be obtained are covered by any existing contract. Purchases which in the aggregate would exceed the **\$5,000** limit may not be subdivided or "split" to procure with the direct purchase limitations.
- E. **Procurement for Goods and Services over \$5,000:** A contract for goods and services valued over **\$5,000** will result in a form of one of the following: Invitation for Bid; Request for Proposal; Bridge; Non-Competitive; or Informal

Solicitation Process. Requests are to be handled in accordance with the most current Procurement Regulations.

- F. **Decentralized Procurement:** The acquisition of supplies and equipment covered by existing contract and ordered directly by units in accordance with Procurement Regulations and department procedures.
- G. **Petty Cash:** Used on an emergency basis to purchase small, expendable items up to \$100. The fund may also reimburse employees for local travel expenses, when deemed appropriate, for the purpose of conducting official county business.
- III. **Purchase Request Procedures (Goods or Services) (CALEA 17.3.1)**
 - A. **Requesting Unit's Responsibilities**
 - 1. Before any action is taken regarding the procurement of goods and/or services, the **requesting unit must ensure** sufficient funds are budgeted **for the purchase**.
 - 2. Complete and forward the request on form MCP 700, "Request for Purchase," via the chain of command to the Management and Budget Division. The following information is required:
 - a. Justification for purchase, procurement, or service.
 - b. Product name or service requested.
 - c. Technical specifications:
 - 1. Color
 - 2. Size
 - 3. Weight
 - 4. Material (e.g., steel, plastic, etc.)
 - 5. Any other specification
 - d. Manufacturer and model number.
 - e. Unit price.
 - f. Total number of units requested.
 - g. **Any shipping costs.**
 - h. Total estimated cost.
 - i. Suggested vendors and addresses (at least three, if possible).
 - j. Requested delivery date.
 - k. Shipping instructions.
 - l. Person to contact with phone **and fax** number.
 - m. If any employee does not follow this directive and/or the County Administrative Procedures, the county **will not reimburse** the employee for the purchase.

B. Management and Budget Division will:

1. ***Provide units with their approved budgets for the purchase of goods/services prior to July 15 of each fiscal year.***
2. Coordinate with the requesting unit to develop and prepare necessary documents for procurement of goods and services.
3. Verify availability of funds, assign necessary accounting codes, and encumber funds.
4. Determine the method of procurement.
5. Coordinate purchase with unit, vendor, and/or procurement as applicable.
6. Prepare the necessary documents and forward them to the appropriate parties.
7. Submit to the Office of Procurement necessary documents for goods and services over ***\$5,000.***
8. ***Negotiate contracts for goods and services in accordance with the requesting unit and County Procurement Regulations.***
9. During the contract negotiations, handle all correspondence ***with*** vendors and ***the Office of Procurement.***

C. When Goods or Services are Received

1. If the item was shipped directly to the Supply Section, the Central Supply Section will notify the requesting unit that the requested items are ready for pickup.
2. If the item was shipped directly to the unit, the unit will confirm the items received, sign and date the packing slip or bill of lading, and submit all documents (packing slip, bill of lading, invoice, etc.) to the Management and Budget Division within two days of the receipt of goods. The Management and Budget Division will then process the payment ***from the vendor invoice.***

D. Restrictions

1. All items carried under contract must be procured only from the contracted vendor (e.g., office supplies, photocopy equipment and supplies, film, ammunition).
2. Substitutions or changes ***to approved budgeted purchases,*** must be approved by Management and Budget Division in advance.
3. All procurement of goods and services should use a method of competitive source selection.

IV. ***Vendor Contacts***

- A. ***Occasionally, vendors contact employees of the department to arrange for product demonstrations or to make sales calls. The following procedures are established to ensure that county procurement regulations regarding verbal and written communications between employees and vendors are not violated:***

1. ***Any employee contacted directly by a vendor regarding a product or service will refer the vendor to the Management and Budget Division at (240) 773-5230.***
2. ***The employee will not make any subsequent contact with the vendor unless authorized by the Management and Budget Division. This prohibition does not extend to those employees who are acting on behalf of the union and not the department, provided that the employee makes that point clear to the vendor.***

- B. ***Any employee who desires to initiate a contact with a vendor regarding a product or service will first contact the Management and Budget Division.***

- C. ***The Radio Systems Manager, Technology Division, has been designated as the department's point person for all vendor contacts associated with the radio project. The radio project includes any wireless voice or data communication product, automated field reporting technology applications, Computer Aided Dispatch (CAD) systems, and Global Positioning System applications. Any employee receiving requests, verbal or written, for information regarding the radio project will refer the vendor to the Radio Systems Manager at (240) 773-5218. Written correspondence should be directed to: Radio Systems Manager, Technology Division, Montgomery County Police, 2350 Research Boulevard, Rockville, Maryland 20850.***

V. ***Procedures for Ordering Business Cards***

All requests for business cards will be submitted on the MCP 26, "Business Card Order Form" (see Appendix A)

1. ***If reordering business cards and there is no change to the information on the card that was currently in use, attach a copy of the card to the front of the form.***
2. ***If there is any change to the information on the current business card or this is the first order, type required information onto the MCP 26 completely.***
3. ***Quantities will be limited to 250 cards per order.***
4. ***Check one block in the "Prices and Quantity" area of the MCP 26 to indicate whether the order is for black and white or multi-color cards. The county pays for the cost of black and white cards.***
5. ***If multicolor cards are ordered, staple a check for \$7.00 made out to "Montgomery County, Maryland" to the order form. This covers the difference in cost between the black and white and multi-colored cards.***
6. ***Completed forms must be sent to the Management and Budget Division through the***

appropriate administrative office or designee to confirm format, completeness, and accuracy.

7. *For assistance, contact the Management and Budget Division at (240) 773-5230.*

VI. Direct Purchases

Units designated by the Management and Budget Division may order directly (i.e., office supplies) from a designated vender and arrange for procurement *and payments* as prescribed by instructions provided directly to the unit by the Management and Budget Division.

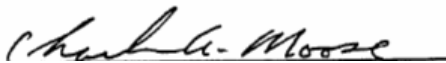
VII. Petty Cash Reimbursement (CALEA 17.4.2)

- A. Officers requiring petty cash reimbursement must forward a memo via the chain of command to the Management and Budget Division. The memo must contain:
1. An itemization of the amount to be reimbursed.
 2. The full name, *home address*, and assignment of the individual to be reimbursed.
 3. An explanation of the situation regarding the need for reimbursement (i.e., on official department business at (*describe location*,) and paid for parking).
 4. All applicable receipts.
- B. Restrictions
1. Reimbursements will not be issued without receipts.
 2. Reimbursements will be governed by all applicable Administrative Procedures.

VIII. Proponent Unit: Management and Budget Division

IX. Cancellation

~~*This directive cancels Function Code 272, effective date 06-04-97, and Headquarters Memoranda 98-25 and 99-07.*~~



Charles A. Moose, Ph.D.
Chief of Police